

<b>SUBJECT:</b>	Fermilab Assessment Manual – Chapter 4 Independent QA Assessment Procedure – Form 2	<b>NUMBER:</b>	3902.1004 FORM 2
<b>RESPONSIBILITY:</b>	Quality Assurance Manager	<b>REVISION:</b>	001.4
<b>APPROVED BY:</b>	Head, Office of Quality and Best Practices	<b>EFFECTIVE:</b>	11/15/2011

<b>Fermilab Independent QA Assessment Report</b>	
<b>Assessment Number &amp; Title:</b> 12-QA-003 ESH-Procurement	<b>Version:</b> 2
<b>Date(s) of Assessment:</b> 10/17/2011 – 11/18/2011	
<b>Performing Organization:</b> Office of Quality & Best Practices	
<p><b>Assessed Organization(s):</b> Environment Safety and Health (ES&amp;H) including the following departments:</p> <ul style="list-style-type: none"> <li>• Administrative Support</li> <li>• Environmental Protection</li> </ul> <p>The ES&amp;H Section is responsible for management and integration of environment, safety, and health requirements to ensure the protection of the public, the worker, and the environment. The Administrative Support group facilitates the processes within the ES&amp;H section. The Environmental Protection group is responsible for permitting and monitoring the environmental activities at Fermilab.</p>	
<p><b>Assessment Activities &amp; Scope:</b></p> <p>Implementation and effectiveness of controls for procurement described in IQA chapter 7 and ESH requirements were examined via interview, observation, and document review in the above organizations.</p> <p><b>Scope Limitations:</b></p> <p>Inspection and Acceptance Testing, Suspect / Counterfeit Items (S/CI) and BSS procurement activities were excluded.</p> <p><b>Activities Reviewed Within this Assessment:</b></p> <ul style="list-style-type: none"> <li>• Cultural Resources – Archeology Support</li> <li>• Environmental Impact Review of Project Plans</li> <li>• Environmental Sampling and Reporting</li> <li>• ES&amp;H Administrative Assistant and Support Supervision</li> <li>• ES&amp;H Administrative Support</li> <li>• ES&amp;H Budget Review</li> <li>• ES&amp;H Requisition Support, Review, Status, Data Entry, and Approval</li> <li>• Geology Consulting Support</li> <li>• Management of FESHM</li> </ul> <p><b>Description of the Implementation &amp; Effectiveness of Observed Activities:</b></p> <p>The requirements of IQA, Chapter 7 Procurement, are met and are effectively implemented within the ES&amp;H organizations assessed.</p> <p>ES&amp;H procurement requirements are found in FESHM chapters 5010, 5011, 8022 and 8060 describing procurement reviews impacting ES&amp;H (sustainable acquisitions, excavation, laser pointers, radioactive</p>	

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sources, chemicals, etc.).

The assessment team interviewed three ES&H employees; two reviewers or approvers and one requisitioner. Two were also ProCard holders.

All ES&H interviewees correctly stated, that the requestor is responsible for: providing complete specifications, recognizing the need (or potential need) for special reviews (e.g. ES&H or Directorate), obtaining appropriate approvals, providing sufficient detail to prevent S/CI, identifying non-conforming items and reporting them to the BSS Procurement department.

A sample was selected from 72 ES&H requisitions created between Oct 1, 2010 and Oct 1, 2011 ranging in value from \$115 to \$150,000 as summarized below and detailed in Files01-05.

REQ #	Date	Requestor	Supplier	Description	Value
221338	Aug 17, 2010*	Cossairt	Argonne	Radiochemical Analysis	\$150,000
226907	June 12, 2011	Cossairt	Eckert & Ziegler	Gamma Source	\$1290
227101	Aug 31, 2011	Eargle	National Ground Water	Membership Renewal	\$115
227510	July 8, 2011	Eargle	Midwest Geosciences Group	Decommission Well	\$4880
229428	Sept 14, 2011	Eargle	Midwest Geosciences Group	4 NuMI Monitoring Wells	\$138,412

(\*note: requisition 221338 had extensions through Aug 2012)

All requisitions examined comply with Fermilab requirements. Employees interviewed correctly stated ES&H follows the Procurement Manual with respect to selecting suppliers. However, while all reviewed requisitions indicated supplier selection based on sole source justification, BSS still has the prerogative to seek an alternative supplier(s). Examined requisitions were reviewed and approved by the requisitioning organization prior to being processed by BSS Procurement (File01-File05). Requisition reviewers stated that they are qualified through training from BSS Procurement although no training records were available. BSS Procurement indicated that all Oracle users in the procurement system are required to be trained. All requisitions, summarized below, above price thresholds or for restricted categories received required special approval(s). Admins review requisitions for special/restrictive categories using the attached reference aids (Files06 and 07).

REQ #	Description	Value	Special Approval Restricted Category and/or Dollar Threshold	All Approvals Received?
221338	Radiochemical	\$150,000	Restricted Category (Radioactive Materials) and Dollar Threshold	Yes*
226907	Gamma Source	\$1290	Restricted Category (Radioactive Materials)	Yes (Grossman & Cossairt)
227101	Membership	\$115	Restricted Category (Membership)	Yes*
227510	Decommission Well	\$4880	Restricted Category (Well)	Yes*
229428	Monitoring Wells	\$138,412	Restricted Category (Well) and Dollar Threshold	Yes*

\*"All Required Approvals Received" note entered along with names of individual approvers

All ES&H employees received required National Environmental Policy Act (NEPA) training per Fermilab requirements. Required NEPA review training, FN000194-CR was taken by the ES&H NEPA reviewer as indicated in File 8 in accordance with FESHM 8060 and 5010. FESHM 8060 contains an

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Environmental Impacts Checklist (File09), which none of the interviewees referenced when discussing required NEPA review criteria. File10 confirms that all ES&H employees have taken Sustainable Acquisition (SA) training as required by FESHM 5011. FESHM 5011 contains the implementation requirement that “95 per cent of new contract actions preference to SA;” this was not evaluated within the assessment.

All ProCard transactions examined comply with Fermilab requirements. File11 attached identifies ten ES&H ProCard holders. Although ProCard training records were not available in ES&H, the BSS Procurement ProCard administrator stated that new ProCard holders are trained, receive a copy of the ProCard User Guide and sign a Fermi National Accelerator Laboratory Cardholder Agreement (File12) and a Record of Attendance form. Records of these signed documents are retained by BSS. Three of 22 ProCard purchases by one cardholder between Oct 1, 2010 and Oct 1, 2011 were examined (File1310) confirming compliance to the ProCard User’s Guide and the cardholder agreement. The 3 purchases were:

Order #	Name	Description	Amount	Reconciled
PRN140749	Eargle	Environmental Manager’s Compliance Report	\$323.96	Y
PRN141632	Eargle	3.3 Gallon Square Container, cover, S&H	\$94.42	Y
PRN141639	Eargle	12V Battery Charger. Multi-meter, S&H	\$48.45	Y

ES&H Administrative Assistants (admins) stated they review all ProCard purchases and verify requisitions are reconciled. File 13 indicates that the 3 items examined were reconciled as summarized above. However, no record of this verification by the admins is available. Admins also indicated that BSS Procurement performs additional ProCard reviews and audits, which may require supporting paperwork from the BSS organization.

### Conclusions:

The requirements of IQA, Chapter 7 Procurement, are met and are effectively implemented according to the Fermilab Procurement Policy and Procedures Manual, including the subsection ProCard User’s Guide, and the relevant ES&H FESHM Procedures relevant to procurement where assessed.

### Findings:

none.

### Observations and Recommendations:

1. **Observation:** Review of ProCard activities and reconciliation is time consuming and it appears that these activities are unrecorded.  
**Recommendation:** Consider entering a Service Desk ticket, or following up on any previous request, to link the ProCard with I-procurement to minimize effort required (paperwork) for reconciliation, tracking receipts and making data entries as suggested by a person interviewed; have a file attribute that indicates a reviewer’s activity when examining/ reconciling records.
2. **Observation:** A sole sourced requisition for work in support of the NuMI project was put out for bid and the PO assigned to a different supplier without the original requestor’s knowledge the alternative supplier’s bid failed to address all items in the PO’s scope of work (SOW). Once discovered, the PO

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was reassigned to the original sole source supplier.

**Recommendation:** ESH employees should consider requiring review of changes to all sole source procurement actions originated by the requisitioner prior to assignment of a PO to an alternative source.

3. **Observation:** Persons requisitioning items in ES&H are not always clear when NEPA reviews are required or not.

**Recommendation:** Consider reviewing the checklist found in the FESHM 8060 appendix.

**Commendable Practices:**

None

**Persons Interviewed:**

- Jody Federwitz
- Minnie Koch
- Geoff Eargle

**Documents Reviewed:**

- Fermilab Procurement Policy and Procedures Manual
- ProCard User's Guide
- FESHM Chapter 5010 – ES&H and National Environmental Policy Act Procurement Review
- FESHM 8060: National Environmental Policy Act (NEPA) Review Program
- FESHM 8022: Waste Minimization and Pollution Prevention Awareness Program
- FESHM 5011: Sustainable Acquisition
- DocDB 1484 - Sustainable Acquisition - Recommended Products

**Attachments:**

- File01-Requisition221338ExtendedAug2012-RadioChemAnal
- File02-Requisition226907-GammaSource
- File03-Requisition227101-Membership
- File04-Requisition227510-SealWell
- File05-Requisition229428-4Wells
- File06-PO\_CatagoryList
- File07-\$ApprovalRequisitionChecklist
- File08-ES&HNEPARviewer
- File09-TechnicalAppendixB-EnvironmentalImpactsChecklist[EIC]
- File10-TRAIN\_SA-CourseCompletionStatistics
- File11-ESH\_ListProCardHolders
- File12-ProCardHolderAgreement
- File13-EargleProCardJan2011-22purchaseIn201010to201110

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<p><b>Standards, Regulations, and Other Program Requirements Applied:</b></p> <p>The specific criteria applied to this assessment were:  1001 IQA Chapter 7, Procurement  Fermilab Procurement Policies &amp; Procedures Manual (including appendices and attachments)</p>								
<p><b>Corrective Action Plans Issued:</b></p> <p style="text-align: center;">N/A</p>								
<p><b>Assessors' Names (asterisk indicates team leader):</b></p> <ul style="list-style-type: none"> <li>• Thomas King*, OQBP</li> <li>• Don Rohde, AD</li> <li>• Mike Pakan (OQBP observer)</li> </ul>								
<p><b>Submitted by:</b> Thomas King <span style="float: right;"><b>Date:</b> 11/15/2011</span></p>								
<p><b>Distribution (Distribute to assessed organizations' management, OQBP head, and other interested parties):</b></p> <table style="width: 100%; margin-top: 20px;"> <tr> <td style="width: 50%;">Jed Heyes</td> <td style="width: 50%;">Nancy Grossman</td> </tr> <tr> <td>Thomas King</td> <td>John Dawson</td> </tr> <tr> <td>Don Rohde</td> <td>Jody Federwitz</td> </tr> <tr> <td>Mike Pakan</td> <td></td> </tr> </table>	Jed Heyes	Nancy Grossman	Thomas King	John Dawson	Don Rohde	Jody Federwitz	Mike Pakan	
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